

TESTIMONY OF
KYLE C. WANNER
EXECUTIVE DIRECTOR, NORTH DAKOTA AERONAUTICS COMMISSION
BEFORE THE
SENATE APPROPRIATIONS
NOVEMBER 9th, 2021
SENATE BILL 2345

Chairman Holmberg and members of the committee,

The Aeronautics Commission is in support of the proposed \$5 million dollar appropriation through the American Rescue Plan Act to allow the state to provide infrastructure grants to public-use airports throughout North Dakota.

A breakdown of the justification for this funding is as follows:

One-Time Infrastructure Funding: The proposed airport infrastructure grants are one-time expenditures for high priority and justified projects that all 89 public-use airports throughout North Dakota would be eligible to apply for grant consideration. These funds would not be utilized for on-going expenses.

Ability to Leverage Federal Funds: These dollars have the ability to help leverage additional federal funds from the Airport Improvement Program for North Dakota airport projects. The funds would also reduce the local financial burden associated with the costs of the portion of projects that the federal government is unable to provide funding on and may also assist with high priority projects that are ineligible for federal grants.

Airport Needs are Identified: Airport capital needs have been compiled in a statewide capital improvement plan which shows an estimated \$400 million in projects at our 89 public use airports within the next 5 years and an estimated \$550 million in needs in the following 6-10 years.

Project Funding Gap: The North Dakota Aeronautics Commission's current 2021-2023 biennial budget is projected to provide approximately \$7 million in total airport infrastructure grants over the current biennial time period. Federal funding is currently anticipated to be between \$30-\$50 million each year but is dependent on multiple factors including: The readiness of high priority/shovel ready projects, availability of federal funds per congressional approval, and the availability of local & state money to complement/leverage those federal dollars. At these current funding levels and an awareness of increased construction costs - a funding gap exists for airport infrastructure projects which is the reason that the Airport Infrastructure fund through the "Operation Prairie Dog" legislation was formed.

Operation Prairie Dog Funds Have Not Arrived: Due to the Covid-19 pandemic and subsequent loss of oil revenues within North Dakota, the airport infrastructure fund was unable to fill to its programmed \$20 million cap during the 2019-2021 biennium.